

## **METHOD AND APPARATUS FOR RISK BASED PRICING**

### **ABSTRACT**

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A system, method, apparatus, computer program code and means for pricing a financial product includes first receiving application data. A price for the financial product is selected. Based on the application data, expected loss data for the application is calculated. A potential return on investment (ROI) for the 10 application is then calculated based at least in part on the expected loss data and the price. The application, with the selected price, is approved if the potential ROI is within a target ROI.

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